



Office of the District of Columbia Auditor

**LETTER REPORT: DISTRICT OF COLUMBIA
AGENCIES' COMPLIANCE WITH FISCAL YEAR
2010 SMALL BUSINESS ENTERPRISE
EXPENDITURE GOALS**

September 23, 2011

Revised December 1, 2011

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**ERRATA SHEET
for**

**Letter Report: District of Columbia Agencies'
Compliance with Fiscal Year 2010 Small
Business Enterprise Expenditure Goals**

Issued on September 23, 2011

Description of Corrections:

We made the following changes to the report:

- We updated the finding that begins on page 3 to reflect the correct number of District agencies that (1) met fiscal year (FY) 2010 Small Business Enterprise (SBE) expenditure goals, (2) did not meet FY 2010 SBE expenditure goals, and (3) could not be assessed due to a lack of data. Also, we corrected the total dollar amount spent towards SBE expenditure goals in FY 2010.
- We updated the finding that begins on page 4 to reflect the correct number of District agencies that did not submit the required annual SBE expenditure report for FY 2010.
- We updated the conclusion on page 11 to reflect the correct number and percentage of District agencies that we were able to assess.
- We updated Appendix I to include SBE expenditures and percent of SBE expenditures spent toward SBE goal for 5 additional District agencies. We also updated the total SBE expenditures.
- We updated Appendix II to include expenditures in all categories for 5 additional District agencies. We also updated the total expenditures for each category.

Rationale for Corrections:

Agencies submit SBE expenditure reports to our office through a dedicated email address. After issuing this report on September 23, 2011, we became aware of several annual SBE expenditure reports that were submitted by agencies but not received by our office. While the misstatement in the report was due to failed technology, we apologize for any inconvenience that the September 23rd report created. We have taken the following steps to avoid a repetition of the technological error:

- In addition to the submission of the electronic report through our dedicated email address, we will require all agencies to submit a hard copy confirmation letter, via US Postal Services and signed by an agency official, confirming the submission of the electronic report.
- We also will call and email agency points of contact from whom we did not receive electronic reports and confirmation letters to determine whether the required reports were submitted.



Office of the District of Columbia Auditor

026:11:AM:SK:JM:cm

The Honorable Kwame Brown, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 504
Washington, D.C. 20004

Letter Report: District of Columbia Agencies' Compliance with Fiscal Year 2010 Small Business Enterprise Expenditure Goals

Dear Chairman Brown:

The Office of the District of Columbia Auditor examined and assessed District of Columbia government agencies' compliance with small business enterprise (SBE) expenditure goals for fiscal year (FY) 2010 (October 1, 2009 through September 30, 2010).ⁱ

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this examination were to:

1. determine whether District agencies were on target to meet the required goal of procuring 50% of their expendable budgets with SBEs in FY 2010;ⁱⁱ and
2. determine District agencies' compliance with SBE goal establishment and expenditure reporting requirements.ⁱⁱⁱ

The examination covered the period October 1, 2009 through September 30, 2010. The examination was conducted as a nonaudit service.^{iv}

For each agency that submitted the required annual SBE expenditure report, we reviewed the agency's appropriated and expendable budget, reported SBE goal, and reported SBE expenditures from all funding sources. In addition, we verified all reported expenditures against data from the District's System of Accounting and Reporting (SOAR) and vendors from the Department of Small and Local Business Development's (DSLBD) Certified Business Enterprise (CBE) Online System. We also interviewed key staff from DSLBD and several District agency liaisons responsible for SBE compliance reporting during FY 2010.

All endnotes are located in APPENDIX V

BACKGROUND

The Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, (the Act) states that “it shall be the goal and responsibility of the Department [of Small and Local Business Development] to stimulate and foster the economic growth and development of businesses based in and serving the District of Columbia, particularly certified business enterprises, with the intended goals of:

- (A) Stimulating and expanding the local tax base of the District of Columbia;
- (B) Increasing the number of viable employment opportunities for District residents;
and
- (C) Extending economic prosperity to local business owners, their employees, and the communities they serve.”

The Act also tasks DSLBD with providing “advocacy, business development programs, and technical assistance offerings” that will “maximize opportunities for certified business enterprises to participate in:

- (A) The District's contracting and procurement process;
- (B) The District's economic development activities; and
- (C) Federal and private sector business opportunities that occur in the District of Columbia.”^v

RESULTS OF OUR EXAMINATION

19 District Agencies Met FY 2010 SBE Expenditure Goals, 27 District Agencies Did Not Meet FY 2010 SBE Expenditure Goals, and 29 District Agencies Could Not Be Assessed Due to a Lack of Data

D.C. Official Code requires each District agency to contract 50% of the dollar volume of its goods and services to small business enterprises each fiscal year. It also requires agencies to submit an annual SBE expenditure report to DSLBD and the Office of the D.C. Auditor.

We found that the 49 District agencies that submitted their annual report expended \$103,841,337 towards their SBE expenditure goals in FY 2010.^{vi} Of the 75 agencies for whom DSLBD attempted to establish a SBE goal:^{vii}

- 19 agencies met or exceeded their SBE goal;
- 27 agencies did not meet their SBE goal;
- 3 agencies, who submitted an annual SBE report for FY 2010, could not be assessed because the agencies' management did not establish a SBE goal;
- 17 agencies could not be assessed because the agencies' management established an SBE goal but did not submit an annual SBE expenditure report for FY 2010; and
- 9 agencies could not be assessed because the agencies' management did not establish a SBE goal and did not submit an annual SBE expenditure report for FY 2010.

Appendix I presents our agency SBE compliance report for FY 2010. Our findings, in part, reflect difficulties on the part of some District agencies' executive management and DSLBD management to ensure that agency SBE goals are accurately and promptly established at the beginning of the fiscal year, vigorously pursued throughout the fiscal year, and met by the end of the fiscal year. Our findings also reflect that DSLBD has not established clear guidelines for funding source use or adequately instructed agencies on how to report allowable SBE expenditures.

We note that many agencies faced significant budget cuts in FY 2010, yet they did not update their SBE goals to reflect these budget reductions. We recognize that the static nature of SBE goals may not allow for an entirely fair accounting of expenditures against goals. However, there were several agencies that did update their SBE goal later in the fiscal year, and those changes are reflected in Appendix I. We also note that the total FY 2010 SBE expenditures for several agencies in Appendix I reflect a decrease from what was published in our report of SBE expenditures through the 3rd quarter of FY 2010. This is due to reversals of amounts paid to SBEs in previous quarters.

In a compliance report issued September 24, 2010, we included several recommendations that addressed the noncompliance of District agencies in setting and achieving SBE goals.^{viii} We recommended (on page 5) that: (1) agency directors should be more proactive in setting goals, reporting expenditures, and meeting goals, (2) DSLBD should provide more comprehensive support to District agencies, and (3) the District of Columbia Council should gather testimony from agency directors that do not meet SBE goals or submit expenditure reports. Our recommendations remain unchanged. According to DSLBD officials, implementation of these recommendations and other recommendations from the September 24, 2010 report are in progress. We will continue to monitor DSLBD for implementation of our recommendations during FY 2012.

Appendix II presents total District agency expenditures (from all funding sources) for the 44 agencies that submitted the FY 2010 annual report on Local Business Enterprises (LBEs), SBEs, Disadvantaged Business Enterprises (DBEs), Local Business Enterprises with Principal Offices Located in an Enterprise Zone (DZEs), Resident-Owned Businesses (ROBs), Longtime Resident Businesses (LRBs), Veteran-Owned Business Enterprises (VOBs), and Local Manufacturing Business Enterprises (LMEs) in FY 2010.

26 District Agencies Did Not Submit Required Annual SBE Expenditure Report for FY 2010

D.C. Official Code requires each District agency to submit an annual SBE expenditure report to DSLBD and the Office of the D.C. Auditor. We found that the following agencies did not submit an annual SBE expenditure report for FY 2010:

1. Commission on the Arts and Humanities
2. Office of the Attorney General
3. Office of Campaign Finance
4. Office of the City Administrator
5. Department of Corrections
6. Council of the District of Columbia
7. Office of the Deputy Mayor for Education
8. Office of the State Superintendent of Education
9. Board of Elections and Ethics
10. Office of Employee Appeals
11. District Department of the Environment
12. Department of Health Care Finance
13. Department of Human Services
14. Department of Mental Health
15. Department of Motor Vehicles
16. D.C. National Guard

17. Office of Police Complaints
18. District of Columbia Public Charter Schools
19. Public Employee Relations Board
20. District of Columbia Public Schools
21. Department of Public Works
22. Board of Real Property Assessments and Appeals
23. Serve DC
24. D.C. Taxicab Commission
25. District Department of Transportation
26. University of the District of Columbia

This list reflects the inability of DSLBD and District agencies to implement effective steps to ensure that complete SBE expenditure data is collected and reported properly.

In a compliance report issued September 24, 2010, we included a recommendation that addressed the noncompliance of District agencies in submitting SBE expenditure reports.^{viii} We recommended (on page 9) that DSLBD should develop and adhere to a standard operating procedure in which they notify the agency director, the City Administrator, and the Council member responsible for oversight of the non-compliant agency within 10 business days of an agency's failure to submit quarterly and annual SBE reports by the due date. Our recommendation remains unchanged. According to DSLBD officials, implementation of this recommendation and other recommendations from the September 24, 2010 report are in progress. We will continue to monitor DSLBD for implementation of our recommendations during FY 2012.

57 District Agencies Did Not Submit Required Procurement Information

D.C. Official Code requires each District agency to submit the following supplemental information with their annual SBE expenditure report:

- A description of the activities the agency engaged in to achieve their FY 2010 SBE expenditure goal; and
- A description of any changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal.

Of the 75 agencies monitored by our office, 18 agencies submitted complete narratives and 57 agencies did not comply with the requirement.

The 18 compliant agencies were:

1. Office of the D.C. Auditor
2. Office of the Chief Medical Examiner
3. Office of the Chief Technology Officer (OCTO)
4. Department of Employment Services
5. Office of Contracting and Procurement (OCP)
6. Office of the Deputy Mayor for Economic Development
7. District Department of Health
8. Department of Housing and Community Development
9. Office of Planning
10. Department of Parks and Recreation
11. Office of Partnerships and Grants
12. District of Columbia Public Library
13. Office of Risk Management
14. Department of Real Estate Services
15. Department of Small and Local Business
16. Office of Veterans Affairs
17. DC Youth Rehabilitation Services
18. Office of Zoning

Appendix III summarizes (1) the information that we received from the 18 compliant agencies, (2) our assessment of whether the planned activities of the 18 agencies for FY 2011 are likely to enable them to achieve their SBE expenditure goals, and (3) our recommendations on activities the 18 agencies should engage in to meet or exceed their FY 2011 goals.

Appendix IV lists the 57 noncompliant agencies.

Recommendation

District agency directors should be more proactive in taking the necessary steps to ensure that year-end procurement information is submitted to DSLBD and our office.

DSLBD's SBE Goal-Setting Process is Flawed

DSLBD provides guidance to District agencies in setting SBE expenditure goals for each fiscal year. We found that DSLBD's process for setting FY 2010 SBE expenditure goals had several flaws.

Inconsistent Funding Sources

DSLBD allowed agencies to establish annual SBE expenditure goals using inconsistent funding sources. This creates confusion for District agencies as to which funding sources to use in determining SBE expenditure goals. We found most agencies used only local funding sources in determining SBE expenditure goals. Some agencies however, with DSLBD approval, based their SBE goal on an appropriated budget that included a mix of local and non-local funding sources.

For example, the Office of the Tenant Advocate (OTA) had an appropriated budget consisting of local and non-local funding sources. OTA's goal was based only on local dollars. We found that OTA expended \$62,961 on SBEs during fiscal year 2010; however, none of the payments to these SBEs were from OTA's local funds. Despite expending \$62,961 on SBEs during fiscal year 2010, OTA fell short of their established goal because they did not expend local dollars on those purchases. On the other hand, the Office of Public Education Facilities Management (OPEFM), which also has an appropriated budget consisting of local and non-local funding sources, was permitted to establish their goal based on both local and non-local funding sources. Our review found that OPEFM expended \$26,289,639 on SBEs during fiscal year 2010 from both local and non-local funding sources indicating a 810% goal attainment. We have highlighted the agencies that used a mix of local and non-local funding sources in Appendix I.

Capital Budgets and Spending

We also found that the process for setting 2010 SBE goals and tracking expenditures did not accurately account for capital budgets and spending. Several District agencies spend a significant amount of money with SBEs using capital budget funds, but this spending may not be captured in our compliance reports. For instance, OCTO expends significant amounts with SBEs using capital budget funds each year, and their local fund expenditures to SBEs are considerably less. Using the methodology of assessing compliance based only on local funding for OCTO, as well as other agencies whose budgets are largely comprised of capital budget funds, will never yield acceptable or true SBE expenditure results.

Another issue regarding capital funds involves agencies with a significant amount of capital dollars spent over a series of fiscal years. Again using OCTO as an example, capital dollars expended during the current fiscal year could be tied to a previous fiscal year budget, and as a result would not be captured in our reports because we only tracked fiscal year 2010 appropriated dollars expended in FY 2010. The annual SBE goal setting and expenditure reporting processes used in fiscal year 2010 did not take into account funds appropriated in prior fiscal years, yet expended during FY 2010.

Unrealistically Low SBE Expenditure Goals

DSLBD allowed some agencies to set unrealistically low SBE expenditure goals. This resulted in some agencies exceeding their goals by excessively large amounts. For instance:

- The Department of Health established a goal of \$454,416, but had SBE expenditures of \$1,953,633, indicating a 430% attainment of their goal.

Failure to: (1) establish clear, written guidelines clarifying which funding source or sources should be used in setting and accomplishing SBE expenditure goals, and (2) set realistic SBE goals results in a misrepresentation of the true SBE expenditure goals and a skewed accounting of agencies' achievement of SBE expenditure goals.

Recommendations:

1. DSLBD should conduct a high-level analysis of the SBE goal-setting process in an effort to identify the key outcomes they are trying to achieve and establish sound practices for achieving those outcomes.
2. DSLBD should establish firm written guidelines distributed to all District agencies clarifying which funding source or sources should be used in setting and accomplishing SBE expenditure goals.
3. DSLBD should use historical data to create SBE expenditure goal standards to ensure that agencies do not set unrealistically low goals.

Most District Agencies Submitted Inaccurate SBE Expenditure Reports

To determine total agency SBE expenditures, we reviewed District agencies' annual expenditure reports and compared them to expenditure data obtained from SOAR. Because SOAR reflects the official record of accounting transactions for the District government, we considered the data from this source as the benchmark against which the agency reports were compared. In doing so, we found that many agencies submitted grossly inaccurate expenditure reports.

The following examples provide insight into a few of the inaccurate expenditure reports:

- The Department of Housing and Community Development reported spending \$946,799 in local funds on SBEs, whereas we found that they actually spent \$170,781;
- The Office of Unified Communications reported spending \$1,781,407 in local funds on SBEs, whereas we found that they actually spent \$371,147; and
- The Office of the Chief Financial Officer reported spending \$4,956,021 in local funds on SBEs, whereas we found that they actually spent \$3,190,663.

These agencies may have reported contract awards rather than expenditures, reported dollars appropriated in previous years but expended in the current quarter or year, or reported expenditures from both local and non-local funds. A more detailed analysis of these agencies would be necessary in isolating the root of the incorrect SBE expenditure reporting. In either case, DSLBD has not established clear guidelines for funding source use or adequately instructed agencies on how to properly report allowable procurement expenditures.

If an agency is unable to accurately calculate and analyze its SBE expenditures, it will remain extremely difficult to determine true SBE goal achievement.

Recommendation

With DSLBD, OCFO, and OCP's assistance, District agencies should establish a standard and reliable methodology for calculating actual SBE expenditures on a quarterly and annual basis.

6 Agencies Require Source Selection Assessment by DSLBD

As part of the year-end reporting process, DSLBD required agencies to submit procurement plans for FY 2011. We are unsure as to whether DSLBD assessed the procurement plans and provided feedback to the agencies in that DSLBD did not submit an analysis to us. After reviewing the procurement plans of 27 agencies, we found that 6 of the agencies did not plan to consider SBEs for services for which CBE Online shows that there are qualified SBEs. Figure 1 presents more detail on the products and services each agency planned to procure.

Figure 1
Agencies that require source selection assessment by DSLBD based on products and services listed in agency procurement plans.

Agency	Product/Service That Agency Intended to Procure from a Non-SBE
Office on Aging	• Office supplies • Media
Office of Asian and Pacific Islander Affairs	• Print ads
Department of Consumer and Regulatory Services	• Office supplies • Temporary service • Moving and hauling • Construction
D.C. Lottery and Charitable Games Board	• Advertising • Various contract services • Travel services • Office support • Furniture & fixtures • Office supplies
Serve DC	• Office supplies • Outreach & communications • Marketing • Services associated with community awards
Department of Youth Rehabilitation Services	• Drug testing • Printing • Office supplies • Heat & air conditioning service • Furniture • Water management programs

Source: Agency procurement plans submitted to DSLBD. DSLBD provided the procurement plans to our office on 3/11/2011.

Recommendation

DSLBD should meet with agencies to review agency procurement plans to ensure that:

1. Agencies provide DSLBD with details of the breadth of business opportunities available for the new fiscal year; and
2. DSLBD identifies business opportunities that match the capabilities and capacities of certified SBEs.

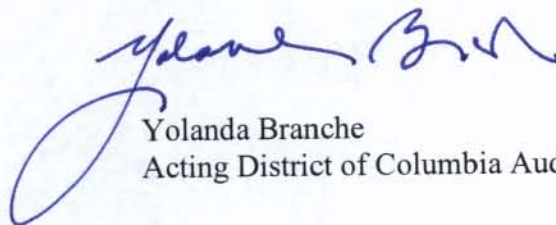
CONCLUSION

Fostering the economic growth and development of businesses based in and serving the District of Columbia is the major responsibility of DSLBD. One of the mechanisms for implementing this mandate is for DSLBD to act as a liaison between the District's certified SBEs and the District's 75 procuring agencies. DSLBD should encourage agencies to provide business opportunities to SBEs and report on their progress. Our analysis revealed that a significant number of District agencies have not complied with the SBE expenditure mandate to procure at least 50% of goods and services from SBEs.

We were able to assess only 46, or 61%, of the 75 district agencies that we are mandated to monitor, partly because some District agencies and DSLBD failed to ensure that agency SBE goals were accurately and promptly established at the beginning of the fiscal year. Additionally, some District agencies did not submit required expenditure reports to assess compliance. When District agencies do not provide the data needed to assess SBE expenditure compliance, it prevents DSLBD from determining areas of SBE sector strengths and weaknesses. SBE expenditure data is necessary to determine improvements in programs, personnel, and partnerships. The absence of accurate and complete SBE expenditure data also makes it difficult for DSLBD to develop strategies for assisting agencies to structure contracts that provide SBEs with the best competitive opportunities possible, and provide the agencies with the quality of products and services they need. Finally, the lack of complete SBE expenditure data prevents our office from providing both DSLBD and the Council with valuable economic development information needed in determining the viability of SBEs and their impact on the District.

Although DSLBD made progress in improving procedures to set and monitor SBE goals and notify agency directors and Council members of agency non-compliance in a timely manner, DSLBD still requires significant improvements in the goal setting process and consistent monitoring of District agencies and SBE procurement activities. In FY 2012, we will continue to request data regarding DSLBD's implementation of agency compliance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Yolanda Branche', with a large, stylized loop at the end.

Yolanda Branche
Acting District of Columbia Auditor

APPENDICES

All endnotes are located in APPENDIX V

District Agency Compliance with FY 2010 SBE Goals

	Agency	Appropriated Budget in Annual Allocation Letter (AAL)	Expendable Budget in AAL	SBE Goal in AAL	SBE Expenditures ¹	% of SBE Expenditures Spent Towards SBE Goal
1	Administrative Hearings, Office of	\$7,004,754	\$288,771	\$144,386	\$64,664	45%
2	Aging, Office on	\$16,218,255	\$2,102,699	\$1,051,350	\$1,243,668	118%
3	Alcoholic Beverage Regulation Administration	\$5,486,429	\$349,265	\$174,633	\$171,778	98%
4	Arts and Humanities, Commission on the	\$7,201,145	\$117,636	\$58,818	Did Not Report	Cannot Determine
5	Asian and Pacific Islander Affairs, Office on	\$874,841	\$14,692	\$7,346	\$16,124	219%
6	Attorney General, Office of the	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
7	Auditor, Office of the D.C.	\$4,443,710	\$114,380	\$57,190	\$100,898	176%
8	Cable Television, Office of	\$8,476,858	\$603,183	\$301,591	\$174,509	58%
9	Campaign Finance, Office of	\$1,690,071	\$136,114	\$68,057	Did Not Report	Cannot Determine
10	Chief Financial Officer, Office of the	\$140,298,359	\$4,150,360	\$2,075,180	\$3,190,663	154%
11	Chief Medical Examiner, Office of the	\$8,638,441	\$342,246	\$171,123	\$332,700	194%
12	Chief Technology Officer, Office of the	\$141,590,825	\$94,455,456	\$47,227,728	\$7,673,414	16%
13	Child and Family Services Agency	\$194,160,875	\$1,026,551	\$513,275	\$1,275,447	248%
14	City Administrator, Office of the	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
15	Community Affairs, Office of	\$3,021,598	\$655,082	\$327,541	\$85,994	26%
16	Consumer and Regulatory Affairs, Department of	\$13,257,615	\$105,576	\$52,788	\$4,678	9%
17	Contract Appeals Board	No AAL	No AAL	No Goal	\$348	Cannot Determine
18	Contracting and Procurement, Office of	\$12,569,353	\$548,645	\$274,322	\$80,426	29%
19	Corrections, Department of	\$139,305,525	\$73,535,970	\$36,767,985	Did Not Report	Cannot Determine
20	Council of the District of Columbia	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
21	Disability Rights, Office of	\$2,018,587	\$563,842	\$281,921	\$160,513	57%
22	Disability Services, Department on	\$62,006,918	\$10,500	\$5,250	\$7,974	152%
23	Education, Office of the Deputy Mayor for	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
24	Education, Office of the State Superintendent of	\$111,990,077	\$35,214,590	\$17,607,295	Did Not Report	Cannot Determine
25	Elections and Ethics, Board of	\$5,192,507	\$105,769	\$52,884	Did Not Report	Cannot Determine
26	Employee Appeals, Office of	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
27	Employment Services, Department of	\$57,215,205	\$1,328,678	\$664,339	\$311,228	47%

¹ The yellow highlighted agencies and DSLBD derived the agency's SBE goal from an appropriated budget that included both local and non-local funding sources. In these cases, we included SBE expenditures from non-local funds.

	Agency	Appropriated Budget in Annual Allocation Letter (AAL)	Expendable Budget in AAL	SBE Goal in AAL	SBE Expenditures ¹	% of SBE Expenditures Spent Towards SBE Goal
28	Environment, District Department of the	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
29	Fire and Emergency Medical Services	\$187,935,251	\$7,738,430	\$3,869,215	\$1,999,647	52%
30	Health Care Finance, Department of	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
31	Health, Department of	\$78,189,539	\$908,831	\$454,416	\$1,953,633	430%
32	Homeland Security and Emergency Management Agency	\$3,276,521	\$159,881	\$79,941	\$54,031	68%
33	Housing and Community Development, Department of	\$10,019,922	\$48,934	\$24,467	\$12,897	53%
34	Human Resources, D.C. Department of	\$14,742,360	\$2,965,457	\$1,482,729	\$485,991	33%
35	Human Rights, Office of	\$2,853,853	\$170,943	\$85,472	\$164,395	192%
36	Human Services, Department of	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
37	Inspector General, Office of the	\$17,541,332	\$204,157	\$102,079	\$211,776	207%
38	Insurance, Securities, and Banking, Department of	\$16,327,004	\$505,889	\$252,945	\$197,258	78%
39	Latino Affairs, Office on	\$3,820,649	\$49,413	\$24,706	\$6,856	28%
40	Lottery and Charitable Games Control Board, D.C.	No AAL	No AAL	No Goal	\$2,922,608	Cannot Determine
41	Mayor, Executive Office of the	\$5,349,328	\$445,626	\$222,813	\$12,760	6%
42	Mental Health, Department of	\$210,230,558	\$23,316,704	\$11,658,352	Did Not Report	Cannot Determine
43	Metropolitan Police Department	\$443,892,477	\$6,804,423	\$3,402,212	\$4,399,796	129%
44	Motion Picture and Television Development, Office of	\$584,340	\$15,010	\$7,505	\$750	10%
45	Motor Vehicles, Department of	\$26,524,000	\$1,077,988	\$538,994	Did Not Report	Cannot Determine
46	National Guard, D.C.	\$3,365,109	\$89,336	\$44,668	Did Not Report	Cannot Determine
47	Parks and Recreation, Department of	\$39,624,896	\$5,105,174	\$2,552,587	\$3,629,070	142%
48	Partnership and Grant Services, Office of	\$642,041	\$67,080	\$33,540	\$5,013	15%
49	People's Counsel, Office of the	\$5,136,060	\$902,489	\$451,244	\$80,010	18%
50	Planning and Economic Development, Office of the Deputy Mayor for	\$42,059,768	\$29,863,215	\$14,931,608	\$2,413,661	16%
51	Planning, Office of	\$8,070,622	\$225,220	\$112,610	\$162,917	145%
52	Police Complaints, Office of	\$2,618,345	\$274,963	\$137,482	Did Not Report	Cannot Determine
53	Public Charter Schools, District of Columbia	No AAL	No AAL	No Goal	Did Not Report	Cannot Determine
54	Public Education Facilities Modernization, Office of	\$32,199,258	\$6,491,367	\$3,245,684	\$26,289,640	810%
55	Public Employee Relations Board	\$1,004,000	\$10,314	\$5,157	Did Not Report	Cannot Determine
56	Public Library, D.C.	\$39,903,546	\$2,787,334	\$1,393,667	\$1,977,846	142%
57	Public Schools, District of Columbia	\$779,574,349	\$59,508,167	\$29,754,084	Did Not Report	Cannot Determine
58	Public Service Commission	\$9,957,532	\$448,886	\$224,443	\$364,900	163%

	Agency	Appropriated Budget in Annual Allocation Letter (AAL)	Expendable Budget in AAL	SBE Goal in AAL	SBE Expenditures ¹	% of SBE Expenditures Spent Towards SBE Goal
59	Public Works, Department of	\$117,684,731	\$117,684,731	\$58,792,366	Did Not Report	Cannot Determine
60	Real Estate Services, Department of	\$81,500,000	\$38,795,082	\$19,397,541	\$15,180,530	78%
61	Real Property Assessments and Appeals, Board of	\$698,316	\$13,656	\$6,828	Did Not Report	Cannot Determine
62	Retirement Board, District of Columbia	No AAL	No AAL	No Goal	\$22,326	Cannot Determine
63	Risk Management, Office of	\$29,163,172	\$0	\$0	\$5,040	100%
64	Secretary, Office of the	\$2,751,141	\$93,176	\$46,588	\$9,906	21%
65	Serve DC	\$433,600	\$61,818	\$30,909	Did Not Report	Cannot Determine
66	Small and Local Business Development, Department of	\$5,827,918	\$145,149	\$72,575	\$6,678	9%
67	Taxicab Commission, D.C.	\$1,212,805	\$5,000	\$2,500	Did Not Report	Cannot Determine
68	Tenant Advocate, Office of the	\$560,068	\$5,150	\$2,575	\$0	0%
69	Transportation, District Department of	\$107,679,056	\$3,312,068	\$1,656,034	Did Not Report	Cannot Determine
70	Unified Communications, Office of	\$29,873,079	\$2,244,739	\$1,122,369	\$371,147	33%
71	University of the District of Columbia	\$109,464,126	\$5,984,002	\$2,992,001	Did Not Report	Cannot Determine
72	Veterans Affairs, Office of	\$462,746	\$100,857	\$50,428	\$31,050	62%
73	Washington Convention and Sports Authority	\$92,595,044	\$14,636,404	\$7,318,202	\$24,231,229	331%
74	Youth Rehabilitation Services, Department of	\$85,016,447	\$2,786,860	\$1,393,430	\$1,420,163	102%
75	Zoning, Office of	\$3,135,902	\$716,109	\$358,055	\$322,787	90%
	TOTAL				\$103,841,337	

Source: SOAR expenditure data dated 2/25/2011 and agency Annual Allocation Letters dated 2/15/2011.

Total District Agency Expenditures (All Funding Sources) on Local Business Enterprises (LBEs), Small Business Enterprises (SBEs), Disadvantaged Business Enterprises (DBEs), Local Business Enterprises with Principal Offices Located in an Enterprise Zone (DZE), Resident-Owned Businesses (ROBs), Longtime Resident Businesses (LRBs), Veteran-Owned Business Enterprises (VOBs), and Local Manufacturing Business Enterprises (LMEs) in FY 2010²

	Agency	Expenditures (All Funding Sources)							
		LBE	SBE	DBE	DZE	ROB	LRB	VOB	LMB
1	Administrative Hearings, Office of	\$129,043	\$129,043	\$45,556	\$123,743	\$40,256	\$5,300	\$0	\$0
2	Aging, Office on	\$5,643,895	\$5,643,895	\$52,242	\$5,515,998	\$71,681	\$28,245	\$0	\$0
3	Alcoholic Beverage Regulation Administration	\$171,778	\$171,778	\$44,840	\$129,117	\$115,702	\$108,851	\$0	\$0
4	Arts and Humanities, Commission on the	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
5	Asian and Pacific Islander Affairs, Office on	\$16,124	\$16,124	\$4,375	\$2,538	\$2,538	\$5,400	\$0	\$0
6	Attorney General, Office of the	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
7	Auditor, Office of the D.C.	\$100,898	\$100,898	\$60,778	\$73,345	\$6,325	\$13,253	\$0	\$0
8	Cable Television, Office of	\$215,421	\$174,509	\$9,969	\$14,727	\$9,460	\$70,099	\$0	\$0
9	Campaign Finance, Office of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
10	Chief Financial Officer, Office of the	\$6,077,070	\$5,260,810	\$3,289,752	\$3,508,353	\$1,204,015	\$1,334,039	\$0	\$0
11	Chief Medical Examiner, Office of the	\$332,700	\$332,700	\$271,825	\$225,522	\$17,696	\$141,081	\$0	\$0
12	Chief Technology Officer, Office of the	\$17,883,300	\$7,673,414	\$17,087,167	\$2,390,562	\$1,768,898	\$481,346	\$0	\$0
13	Child and Family Services Agency	\$1,562,803	\$1,275,447	\$952,341	\$939,680	\$82,706	\$169,640	\$0	\$0
14	City Administrator, Office of the	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
15	Community Affairs, Office of	\$132,703	\$132,703	\$20,145	\$81,324	\$13,263	\$31,666	\$0	\$0
16	Consumer and Regulatory Affairs, Department of	\$403,796	\$403,796	\$317,429	\$147,559	\$138,439	\$57,708	\$0	\$0
17	Contract Appeals Board	\$348	\$348	\$0	\$348	\$0	\$348	\$0	\$0
18	Contracting and Procurement, Office of	\$136,613	\$136,613	\$101,051	\$60,415	\$65,727	\$14,322	\$0	\$0
19	Corrections, Department of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report

² The Small, Local and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, establishes the 50% expenditure goal only for SBEs. There is no established expenditure goal for the other categories of certified businesses.

	Agency	Expenditures (All Funding Sources)							
		LBE	SBE	DBE	DZE	ROB	LRB	VOB	LMB
20	Council of the District of Columbia	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
21	Disability Rights, Office of	\$162,711	\$162,711	\$0	\$1,735	\$160,513	\$2,081	\$0	\$0
22	Disability Services, Department on	\$1,343,836	\$1,343,836	\$704,194	\$617,978	\$558,584	\$292,539	\$0	\$0
23	Education, Office of the Deputy Mayor for	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
24	Education, Office of the State Superintendent	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
25	Elections and Ethics, Board of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
26	Employee Appeals, Office of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
27	Employment Services, Department of	\$1,660,541	\$800,927	\$1,327,574	\$357,143	\$438,082	\$137,704	\$0	\$0
28	Environment, District Department of the	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
29	Fire and Emergency Medical Services	\$2,616,613	\$2,477,800	\$1,653,989	\$1,819,708	\$222,126	\$670,912	\$0	\$0
30	Health Care Finance, Department of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
31	Health, Department of	\$7,152,284	\$5,983,998	\$2,829,063	\$3,877,734	\$1,650,902	\$2,161,897	\$0	\$0
32	Homeland Security and Emergency Management Agency	\$354,404	\$323,062	\$249,756	\$208,674	\$240,978	\$34,032	\$0	\$0
33	Housing and Community Development, Department of	\$170,781	\$170,781	\$106,424	\$123,994	\$115,813	\$43,919	\$0	\$0
34	Human Resources, D.C. Department of	\$485,991	\$485,991	\$350,112	\$222,586	\$86,379	\$45,685	\$0	\$0
35	Human Rights, Office of	\$164,395	\$164,395	\$104,437	\$118,053	\$90,200	\$46,443	\$0	\$0
36	Human Services, Department of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
37	Inspector General, Office of the	\$249,030	\$211,776	\$117,042	\$119,690	\$99,446	\$15,640	\$0	\$0
38	Insurance, Securities, and Banking, Department of	\$227,059	\$197,258	\$154,373	\$107,931	\$113,305	\$38,110	\$0	\$0
39	Latino Affairs, Office on	\$12,170	\$12,170	\$7,254	\$3,398	\$10,652	\$1,941	\$0	\$0
40	Lottery and Charitable Games Control Board, D.C.	\$3,131,150	\$2,922,608	\$444,851	\$546,028	\$50,256	\$2,169,097	\$0	\$0
41	Mayor, Executive Office of the	\$58,020	\$58,020	\$17,165	\$3,177	\$1,900	\$40,315	\$0	\$0
42	Mental Health, Department of	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
43	Metropolitan Police Department	\$5,595,434	\$4,777,116	\$1,726,274	\$3,499,947	\$959,539	\$618,216	\$0	\$0
44	Motion Picture and Television Development, Office of	\$3,292	\$3,292	\$0	\$1,322	\$0	\$2,130	\$0	\$0

[illegible]

	Agency	Expenditures (All Funding Sources)							
		LBE	SBE	DBE	DZE	ROB	LRB	VOB	LMB
70	Unified Communications, Office of	\$1,703,597	\$833,589	\$1,629,061	\$694,847	\$651,214	\$21,157	\$0	\$0
71	University of the District of Columbia	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report	Did Not Report
72	Veterans Affairs, Office of	\$45,204	\$45,204	\$26,368	\$13,429	\$35,862	\$7,616	\$0	\$0
73	Washington Convention and Sports Authority	\$25,757,154	\$24,231,229	\$13,607,493	\$21,062,810	\$10,940,639	\$1,386,091	\$0	\$0
74	Youth Rehabilitation Services, Department of	\$1,637,215	\$1,514,770	\$938,780	\$962,765	\$371,125	\$304,222	\$0	\$0
75	Zoning, Office of	\$617,379	\$344,883	\$436,672	\$318,572	\$278,539	\$140,490	\$0	\$0
	TOTAL	\$139,096,414	\$120,334,956	\$86,874,910	\$86,291,739	\$4,744,336	\$14,328,445	\$0	\$0

Source: SOAR expenditure report dated 02/25/2011

APPENDIX III

Eighteen District agencies complied with our request for a description of the activities the agency engaged in to achieve their FY 2010 SBE expenditure goal and a description of any changes the agency intended to make during FY 2011 to achieve their SBE expenditure goal. That information is presented below, along with (1) our assessment of whether the planned activities of each agency for FY 2011 are likely to enable the agency to achieve their SBE expenditure goal, and (2) our recommendations on activities the agency should engage in to meet or exceed their future goals.

1. Office of the D.C. Auditor

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Utilized the CBE Online Database
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Increased use of the CBE Online Database.
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

2. Office of the Chief Medical Examiner

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Utilized the CBE Online Database
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will seek additional support from DSLBD
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes, however OCME's procurement needs are unusual and require special training, and only one local company is certified; OCME finds meeting their SBE goal difficult.
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

3. Office of the Chief Technology Officer

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Worked with OCP to ensure compliance
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will seek additional support from DSLBD
 - Explore Mentor-Protégé relationships to enhance SBE capacity
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

4. Office of Contracting and Procurement

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Monitored SBE expenditures carefully every quarter
 - Worked closely with DSLBD
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will continue working with DSLBD
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

5. Office of the Deputy Mayor for Planning and Economic Development

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Careful procurement planning and SBE submission review
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Work closely with DSLBD
 - Ensure that SBEs are familiar with the scope of work in contracts
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

6. Department of Employment Services

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Instructions to Program Managers regarding priority of SBE expenditures
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Continue with the same emphasis
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

7. Department of Health

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Partnered with OCP to ensure achieving SBE compliance goals
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Provide program offices with updated lists of SBEs that meet requirements
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

8. Department of Housing and Community Development

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Advanced procurement planning and vendor selection
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - None
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

9. Department of Parks and Recreation

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - CSBE vendor outreach
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will seek additional support from DSLBD
 - More community outreach to reach a larger SBE base.
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

10. Office of Partnership and Grant Services

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - None
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will actively seek SBE Vendors
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - No
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - OPGS requires and should seek the assistance of DSLBD in order to assess the capabilities and capacity of SBEs certified in the professional service areas OPGS usually requires.

11. Office of Planning

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Has a dedicated liaison to DSLBD for SBE compliance oversight
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - No changes
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

12. D.C. Public Library

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Establishment of a procurement protocol
 - Reminder of SBE requirements sent to program managers throughout the year
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - More emphasis placed on SBE verification of qualifications and certification status
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - None

13. Department of Real Estate Services

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Concentrates on strategic sourcing through its specialized, contracting unit
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will seek additional support from DSLBD
 - Since 2009 DRES has had its own contracting and procurement division authorized by the OCFO. The contracting and procurement division enables DRES to focus on its complex and specific procurement requirements. DRES has developed a new marketing action plan for SBEs.
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - DSLBD should offer its assistance to DRES to assess feasibility of the marketing plan based on the current base of SBEs and to provide a structure for DRES accomplishing its marketing goals.

14. Office of Risk Management

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Utilized CBE Online Database
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will seek additional support from DSLBD
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes, however ORM expressed its difficulty in reaching their goals based on the limited number of SBEs that are certified in the needed industry areas and that are able to provide the scope of work usually requested.
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - DSLBD should meet with ORM to identify the industry codes under which ORM procures and query the CBE Online System for vendor/industry matches. If the vendor/industry match result does not support competition, DSLBD should assist ORM in marketing its needs to the SBE community in order to engage those small businesses that could qualify to meet ORM's procurement needs.
 - If the market research effort is unsuccessful, DSLBD should request that Council either lower ORM's SBE expenditure goal or exempt ORM from the requirement.

15. Department of Small and Local Business Development

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Utilized CBE Online Database
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - The Department commits to full utilization of its own internal resources for the future.
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - Yes

16. Department of Youth Rehabilitation Services

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Tried to use SBEs whenever possible
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will continue to seek qualified, SBE vendors
 - Will encourage qualified vendors to seek contracting opportunities with DYRS
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - Yes
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - DYRS requires the assistance of DSLBD in order to assess the capabilities and capacity of SBEs certified in the professional, service areas DYRS usually requires.

17. Office of Veteran's Affairs

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - None
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Cited Mayoral Order 2010-25 – Implementation of Spending Controls and a major business opportunity was awarded to a non-CBE based on the best sourcing methodology as the reasons for its SBE goal shortfall in FY 2010
 - Will seek additional support from DSLBD
 - Will work closely with OCP to ensure that SBE preference is clearly stated in all of its procurement documents
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - No
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - DSLBD should meet with OVA and OCP early each fiscal year to assist with the procurement planning to identify additional product and service areas that could be provided by SBEs certified to conduct business with the District.
 - DSLBD should assist OVA and OCP in strengthening the vendor supply chain OVA needs by providing outreach assistance.

18. Office of Zoning

- **Activities the agency engaged in to achieve FY 2010 SBE expenditure goal:**
 - Whenever possible made an effort to contract with SBEs
- **Changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:**
 - Will actively seek SBE Vendors
- **Will the agency's planned activities for FY 2011 likely enable them to achieve their SBE expenditure goal?**
 - No
- **Our recommendations on activities the agency should engage in to meet or exceed their FY 2011 goal:**
 - OZ requires the assistance of DSLBD in order to assess the capabilities and capacity of SBEs certified in the professional, service areas OZ usually requires.

APPENDIX IV

The following 57 agencies did not comply with the requirement to submit a description of the activities the agency engaged in to achieve their FY 2010 SBE expenditure goal and a description of any changes the agency intends to make during FY 2011 to achieve their SBE expenditure goal:

- Administrative Hearings, Office of
- Aging, Office on
- Alcoholic Beverage Regulation Administration
- Arts and Humanities, Commission on the
- Asian and Pacific Islander Affairs, Office on
- Attorney General, Office of the
- Cable Television, Office of
- Campaign Finance, Office of
- Chief Financial Officer, Office of the
- Child and Family Services Agency
- City Administrator, Office of the
- Community Affairs, Office of
- Consumer and Regulatory Affairs, Department of
- Contract Appeals Board
- Corrections, Department of
- Council of the District of Columbia
- Disability Rights, Office of
- Disability Services, Department on
- Education, Office of the Deputy Mayor for
- Education, Office of the State Superintendent of
- Elections and Ethics, Board of
- Employee Appeals, Office of
- Environment, District Department of the
- Fire and Emergency Medical Services
- Health Care Finance, Department of
- Homeland Security and Emergency Management Agency
- Human Resources, D.C. Department of
- Human Rights, Office of
- Human Services, Department of
- Inspector General, Office of the
- Insurance, Securities, and Banking, Department of
- Latino Affairs, Office on

- Lottery and Charitable Games Control Board, D.C.
- Mayor, Executive Office of the
- Mental Health, Department of
- Metropolitan Police Department
- Motion Picture and Television Development, Office of
- Motor Vehicles, Department of
- National Guard, D.C.
- People's Counsel, Office of the
- Police Complaints, Office of
- Public Charter Schools, District of Columbia
- Public Education Facilities Modernization, Office of
- Public Employee Relations Board
- Public Schools, District of Columbia
- Public Service Commission
- Public Works, Department of
- Real Property Assessments and Appeals, Board of
- Retirement Board, District of Columbia
- Secretary, Office of the
- Serve DC
- Taxicab Commission, D.C.
- Tenant Advocate, Office of the
- Transportation, District Department of
- Unified Communications, Office of
- University of the District of Columbia
- Washington Convention and Sports Authority

APPENDIX V - ENDNOTES

ⁱ See D.C. Official Code § 2-218.53 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended.

ⁱⁱ See D.C. Official Code §2-218.21(a) of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended.

ⁱⁱⁱ See D.C. Official Code §2-218.53(a) and (b) of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, which requires agencies to “submit a quarterly report to the Department [DSLBD] and to the District of Columbia Auditor within 30 days after the end of each quarter” and an annual report “within 30 days of the issuance of the Comprehensive Annual Financial Report.”

^{iv} See Government Auditing Standards, July 2007 Revision A3.02 and A3.03a, which states in part that Audit organizations in government entities frequently provide nonaudit services that differ from the professional services provided by an accounting or consulting firm to or for the audited entity. The types of nonaudit services are often performed in response to a statutory requirement, at the discretion of the authority of the audit organization, or for a legislative oversight body or an independent external organization and do not impair auditor independence. Examples of these types of services include providing information or data to a requesting party without auditor evaluation or verification of the information or data.

^v See D.C. Official Code §2-218.13(a) of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended.

^{vi} The \$100,136,041 is based on the appropriated budget funding source used by the agency and DSLBD when establishing the agency’s FY 2010 SBE goal. The \$101,463,928 includes expenditures from non-local funds only if the agency and DLSBD derived the agency’s SBE goal from an appropriated budget that included non-local funds.

^{vii} See D.C. Official Code §2-218.02 which defines *agency* as “an agency, department, office, board, or commission of the District of Columbia government.” Several entities in the FY 2010 budget are specifically exempt from CBE requirements. See D.C. Official Code §2-218.55(a), “Except as provided in subsection (b) of this section, a regional governmental entity shall be exempt from the requirements to the extent that the requirements of this subchapter impact on the regional governmental entity’s operations within the territory of a member government other than the District.” See also D.C. Official Code §2-218.55(b), “The District of Columbia Water and Sewer Authority shall be exempt from the requirements of this subchapter to the extent that the requirements of this subchapter are contrary to procurement regulations promulgated pursuant to statutes establishing the District of Columbia Water and Sewer Authority.” Other entities, such as retirement funds, disability compensation funds, etc, cannot reasonably be expected to meet CBE requirements.

^{viii} See Auditor’s report entitled “Letter Report: District of Columbia Agencies’ Compliance with Small Business Enterprise Expenditure Goals for the 1st and 2nd Quarter of Fiscal Year 2010,” issued September 24, 2010.